

403(b) Application

Please be aware that if you are changing employers this application will not combine your prior employer's plan into your new employer's plan. If you wish to combine the two plans, please contact us for the necessary form.

1. Applicant Information

Social Security No. _____

Name _____
Last First Middle

Address _____

City State ZIP

Phone (_____) _____

E-Mail Address _____

Employer Name _____

Employment Date _____

Retirement Date (if applicable) _____

Date of Birth _____

Marital Status Single Married Widowed

Gender Male Female

WEAC Member Yes No

2. Choose an Investment Strategy

Allocations must be in whole numbers and must total 100% or your allocation will default to the age appropriate target retirement fund as published by Vanguard. The allocations below will apply to all future money for any type of contribution received by WEA Member Benefits until you change them.

You may combine investment choices from Option 1 and Option 3, and the sum of the percentages must equal 100%. If you choose Option 2, the other options are not available, and you must attach the *Risk Profile Questionnaire*.

OPTION 1—Target Retirement Funds

For those who prefer to have their investment portfolio managed for them.

VANGUARD TARGET RETIREMENT FUNDS

Vanguard Institutional Target Retirement Income	_____ %
Vanguard Institutional Target Retirement 2015	_____ %
Vanguard Institutional Target Retirement 2025	_____ %
Vanguard Institutional Target Retirement 2035	_____ %
Vanguard Institutional Target Retirement 2045	_____ %
Vanguard Institutional Target Retirement 2060	_____ %

OPTION 2—Model Portfolios

Select one model only and attach the *Risk Profile Questionnaire*.

Model Portfolios

- Conservative Model
 Moderately Conservative Model
 Moderate Model
 Moderately Aggressive Model
 Aggressive Model

OPTION 3—Hands-On Investing

For those who prefer to manage their own investment portfolio.

FIXED INCOME

Prudential Guaranteed Investment	_____ %
Pioneer Bond K	_____ %

LARGE-CAP STOCK MUTUAL FUNDS

T. Rowe Price Equity Income	_____ %
Vanguard Institutional Index Institutional Plus	_____ %
Parnassus Core Equity Institutional	_____ %
Fidelity Contrafund	_____ %
T. Rowe Price Growth Stock	_____ %

MID-CAP STOCK MUTUAL FUNDS

T. Rowe Price Mid-Cap Value	_____ %
Vanguard Mid-Cap Index Institutional	_____ %
T. Rowe Price Mid-Cap Growth	_____ %

INTERNATIONAL STOCK MUTUAL FUNDS

Oppenheimer Developing Markets Institutional	_____ %
Fidelity Diversified International	_____ %
Vanguard Total Int'l Stock Index Admiral	_____ %

SMALL-CAP STOCK MUTUAL FUNDS

Prudential QMA Small-Cap Value Z	_____ %
Vanguard Small-Cap Index Institutional	_____ %
ClearBridge Small Cap Growth Institutional	_____ %

SPECIALTY MUTUAL FUNDS

T. Rowe Price New Era	_____ %
PIMCO All Asset Institutional	_____ %

3. Contribution Information (Check all that apply.)

Elective (employee contributions—must complete a Salary Reduction Agreement)
 Before-tax elective Roth elective **if offered by your employer**

Nonelective (employer contributions—403(b) before tax only—do not complete a Salary Reduction Agreement)
 Effective date _____ Amount of each nonelective contribution \$ _____
 Per: Pay period Month Year Other _____
 (please specify)

Asset exchange/transfer/rollover (exchange/transfer/rollover forms required)

4. Beneficiary Information (See *Choosing Your Beneficiaries* brochure before completing this section.)

No matter how you complete this designation, if you are married at the time of your death, your spouse may have enforceable claims on your account pursuant to Wisconsin's marital law. You may wish to consult your attorney on this matter.

Name	Date of Birth	Relationship	Percentage	<input type="checkbox"/> Primary Beneficiary <input type="checkbox"/> Contingent Beneficiary
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Name	Date of Birth	Relationship	Percentage	<input type="checkbox"/> Primary Beneficiary <input type="checkbox"/> Contingent Beneficiary
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Name	Date of Birth	Relationship	Percentage	<input type="checkbox"/> Primary Beneficiary <input type="checkbox"/> Contingent Beneficiary
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Name	Date of Birth	Relationship	Percentage	<input type="checkbox"/> Primary Beneficiary <input type="checkbox"/> Contingent Beneficiary
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Name	Date of Birth	Relationship	Percentage	<input type="checkbox"/> Primary Beneficiary <input type="checkbox"/> Contingent Beneficiary
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Name	Date of Birth	Relationship	Percentage	<input type="checkbox"/> Primary Beneficiary <input type="checkbox"/> Contingent Beneficiary
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(List additional beneficiaries on a separate page—include your Social Security number, signature, and date on all additional pages.)

5. Prohibition of Telephone Access

All of your retirement accounts will be authorized for person-to-person telephone transactions unless you check the box below. Neither WEA Member Benefits nor its agents will be liable for any actions taken in compliance with such instructions they believe to be genuine.

I do **NOT** authorize WEA Member Benefits to act upon telephone instructions regarding my account(s). I understand that WEA Member Benefits will accept and act upon only written instructions from me regarding my account(s).

If you do not check this box, please provide a password which will allow WEA Member Benefits to discuss your account or take investment instructions from another person you have authorized to transact on your behalf: _____ (up to 10 characters). If no password is provided, we will not be able to take any instructions from another person you have authorized to transact on your behalf.

6. Signature and Date

Contributions require your employer to have a *Joinder Agreement*, and WEA TSA Trust must be an approved vendor under your employer's 403(b) plan. I acknowledge that I have read the mutual fund prospectus(es) of any of the investments I have selected.

Applicant's Signature _____ **Date** _____

What prompted you to enroll in this program? Please select one:
 Heard about us from another source Received info from school business office Received a mailing Trust Advantage meeting Seminar or convention Web site Newsletter or publication Referral from Trust staff person

Risk Profile Questionnaire

Required for the Model Portfolio Option

Name: _____

Date of Birth: _____

Social Security No. (last four): _____

Date: _____

Account Type: 403(b) Traditional IRA Roth IRA SEP IRA

The basic principles of risk and reward

What is risk? Risk can be defined as the possibility of losing all or part of your investment. Investment professionals generally accept the notion that the potential for higher returns goes hand-in-hand with higher risk. Conversely, low-risk investments are associated with lower returns. Before you consider any investment, it is important to understand and to determine your risk tolerance

The following exercise will help you to determine your risk tolerance. Based upon your responses to the statements below, you can determine the risk profile that most closely reflects your risk tolerance. Circle the response to each statement that most closely matches your own investment philosophy. Be honest!

Risk tolerance

1. Previous investment experience. I've been investing in stocks or bonds, either as mutual funds or as individual securities, for:

- Less than 1 year (0 points)
- 1 to 2 years (1 point)
- 3 to 5 years (3 points)
- More than 5 years (5 points)

2. Investment preferences. Overall, I prefer the following investment types:

- Conservative investments, such as Certificates of Deposit (CDs), Guaranteed Investment Contracts (GICs), or money market funds, that provide slow but steady returns. (0 points)
- Moderately conservative investments that provide higher return potential but are greater risk including bond funds, well-diversified stock funds, and mixes of these investments. (2 points)
- Aggressive investments that provide very high growth potential and very high risk, such as individual stocks and bond securities, small company growth funds, and international funds. (4 points)

3. Risk aversion. If a stock or bond investment of mine dropped significantly in value, I would move my money out of it.

- Yes (0 points)
- No (4 points)

4. **Risk tolerance.** Assume you're investing \$5,000 of your own money and have the following four investments from which to choose. Based on the range of possible ending values for these investments, which one would you pick?

	Lowest Possible	Highest Possible	
	<u>End Value</u>	<u>End Value</u>	
<input type="checkbox"/> Investment 1	\$5,000	\$5,000	(0 points)
<input type="checkbox"/> Investment 2	\$4,900	\$5,250	(1 point)
<input type="checkbox"/> Investment 3	\$4,500	\$6,000	(2 points)
<input type="checkbox"/> Investment 4	\$3,500	\$7,000	(3 points)

5. **Growth or income.** Of the following statements, select the one that most closely reflects your risk tolerance and approach to reaching your retirement goals:

- I would like my investments to be safe. I am not willing to accept any risk or loss of principal. (0 points)
- I would like my investments to generate current income for me to spend. (1 point)
- I would like my investments to generate current income while increasing value over time. (2 points)
- I would like my investments to grow over time while providing current income. (3 points)
- I would like my investments to grow considerably over time and I do not need to generate income at this time. (4 points)

Current situation

6. **Time horizon.** The number of years that you invest is one of the most important factors in picking an asset allocation. The more time that you have to invest, the more you can afford to have higher-return, higher-risk investments like stocks and bonds in your portfolio. How many years until you plan to begin drawing funds from your portfolio?

- Less than 5 years (0 points)
- Between 5 and 10 years (10 points)
- Between 10 and 20 years (20 points)
- More than 20 years (30 points)

7. **Dependents.** A more conservative investment strategy may be appropriate when many people are dependent on your future income. How many dependents, including children and elderly parents, will you be supporting during your retirement years? Number of dependents:

- None (6 points)
- One (5 points)
- Two to four (3 points)
- Five or more (0 points)

8. **Current net worth.** Your asset allocation also depends upon the total value of your assets, your "net worth". Be sure to include your primary residence and all savings investments. What is the total of your assets?

- \$100,000 or less (0 points)
- Between \$100,000 and \$500,000 (1 point)
- More than \$500,000 (3 points)

9. Retirement savings. The size of your retirement nest egg is another factor that affects your allocation. In general, the more savings you have, the more you can afford to diversify among different asset types. Select the current value of all savings and investments that you have set aside specifically for retirement. Include retirement accounts and exclude your primary residence. What is the total of these savings?

- \$100,000 or less (0 points)
- Between \$100,000 and \$500,000 (1 point)
- More than \$500,000 (3 points)

Future situation

10. Unexpected expenses. With an ample emergency fund (three to six months of expenses), you're much less likely to need your retirement savings for unexpected expenses. Without such a fund, you're putting your retirement savings at risk, which may decrease your investing time horizon. For quick, easy access to this emergency money, keep it in very short-term investments, such as cash equivalents. Do you have a separate emergency fund?

- Yes (3 points)
- No (0 points)

11. Expected expenses. You might be planning to withdraw or borrow from your retirement savings for nonretirement expenses. The sooner you need this money, the more your savings should be in readily accessible investments, such as cash equivalents. (Remember that taxes and IRS penalties may apply to many early withdrawals of retirement savings.) In the next ten years, do you expect to withdraw from your retirement savings for nonretirement expenses?

- No (10 points)
- Yes, I plan to withdraw up to one-third of my savings (6 points)
- Yes, I plan to withdraw more than one-third of my savings (0 points)

12. Future financial situation. Your future financial situation (the ability to meet your expenses, job stability, and future earnings) is another indicator of how likely it is that you will need to withdraw your savings for unexpected expenses. In general, the more stable your situation, the less likely this is to occur, which suggests a more aggressive investment approach. Prior to retirement, I expect my financial situation to be:

- Very secure and stable (10 points)
- Secure and stable (5 points)
- Very insecure and unstable (0 points)

Range/risk profile

What is my tolerance for investment risk?

Add the points of questions 1–5 and compare the scale below to get an idea of your risk profile. Remember: You are the final judge of your risk tolerance. These results are only a general guideline for choosing investments.

0–5 points Very low risk tolerance	6–14 points Moderate risk tolerance	15–20 points Very high risk tolerance
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What kind of investor am I?

Questions 1–5 indicated your general risk tolerance. Questions 6–12 add further information regarding your present and future situations. Add the points from your response to **all** 12 questions. The resulting total will fall into one of the categories listed below and give you an idea of an appropriate asset allocation. Please circle the kind of investor you are and send this page to WEA Member Benefits.

A score of 0 to 6 points	Suggests you are conservative
A score of 7 to 21 points	Suggests you are moderately conservative
A score of 22 to 62 points	Suggests you are moderate
A score of 63 to 76 points	Suggests you are moderately aggressive
A score of 77 to 85 points	Suggests you are aggressive

Please send this questionnaire to:

WEA Member Benefits
P.O. Box 7893
Madison, WI 53707-7893

Or fax this questionnaire to:

(608) 237-2529
Attention: Financial Advisors